

RD AN No. 3571 (1940-G)  
September 28, 2000

**TO:** Rural Development State Directors  
Rural Development Managers, and  
Community Development Managers

**ATTN:** Program Directors and State Environmental Coordinators

**FROM:** Wilbur T. Peer (Signed by *Randall E. Torgerson*) ;for  
Acting Administrator  
Rural Business-Cooperative Service

**SUBJECT:** Performing the Correct Level of Environmental Review for Hotels

**PURPOSE/INTENDED OUTCOME:**

Questions continue to arise concerning the appropriate level of environmental review that should be completed for applications involving the construction of hotels, motels, and similar facilities. The purpose of this Administrative Notice (AN) is to clarify the environmental requirements of such facilities under RD Instruction 1940-G.

**COMPARISON WITH PREVIOUS AN:**

There is no previous AN on this subject.

**IMPLEMENTATION RESPONSIBILITIES:**

To determine the appropriate level of environmental review, the preparer of the review will apply RD Instruction 1940-G, § 1940.311(b)(3), to the proposed action. Motels, hotels, and similar facilities will automatically be considered as single small sites which are not a source of substantial traffic generation, liquid, or solid wastes, so long as they do not contain a net increase in rooms of over 25 percent or 25 rooms, whichever is greater.

Expiration Date: September 30, 2001

Filing Instruction:  
Preceding RD Instruction 1940-G

Therefore, if a proposed action involves a net increase in rooms of not more than 25 percent or 25 rooms, whichever is greater, a Class I assessment will be completed. If the proposed action exceeds these limitations, a Class II assessment will be required.

If there are any questions regarding this AN, please contact Sue Wieferich, (202)720-9647, or Brian LaFlamme, (202)720-9656, Program Support Staff.